Canadian International Trade Tribunal

2006-2007

Departmental Performance Report

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Minister of Finance

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SECTION I—OVERVIEW

1.1 Chairperson's Message

I am pleased to present the Departmental Performance Report of the Canadian International Trade Tribunal (the Tribunal) for fiscal year 2006-2007.

The Tribunal's mandate is to provide fair, timely and transparent disposition of international trade cases and government-mandated inquiries in various areas of the Tribunal's jurisdiction. Under the *Canadian International Trade Tribunal Act* (*CITT Act*), the Tribunal conducts inquiries into complaints relating to unfair trade (i.e. dumping and subsidizing), requests for protection from import competition (safeguards) and complaints regarding federal government procurement. The Tribunal hears appeals from decisions of the Canada Revenue Agency (CRA) and the Canada Border Services Agency (CBSA). In its advisory role, the Tribunal undertakes general economic inquiries and tariff references for the Minister of Finance or the Governor in Council. In so doing, the Tribunal contributes to the Government of Canada's outcome of ensuring a fair and secure marketplace related to economic affairs.

As in previous years, the Tribunal issued all of its decisions within statutory deadlines and maintained high-quality standards of research and analysis. Elapsed times for issuing appeal decisions not subject to statutory deadlines improved significantly in 2006-2007 as a result of an improved multi-disciplinary approach to appeals work. The Tribunal also maintained a strong record in terms of its decisions being upheld by national and international appeal bodies and continues to play a key role in fostering a Canadian trading system that is transparent and accessible and meets international obligations.

In 2006-2007, the Tribunal launched the new Secure E-Filing Service. The service allows parties to file electronically both public and confidential documents with the Tribunal using the Government of Canada's epass Enabled Services.

As part of the Tribunal's human resources (HR) continuity strategy, HR plans were developed for each branch and positions were revised to ensure that levels and classifications were in line with those of similar organisations. The Tribunal continued to develop and offer in-house training programs and seminars and allotted additional funds to its training budget. An internal learning policy is in its final stages of development.

The Tribunal made a number of improvements to its management practices. A more integrated approach was taken to its HR and information technology planning activities with its business planning. An internal audit was conducted to assess the effectiveness and efficiency of the Tribunal's financial management control framework, and enhancements were made to its internal financial reporting system. The Tribunal worked with the central agencies to explore funding solutions and sources to enable it to better accommodate the unpredictable variation in its caseload.

Pierre Gosselin

1.2 Management Representation Statement

I submit, for tabling in Parliament, the 2006-2007 Departmental Performance Report for the Tribunal.

This document has been prepared based on the reporting principles contained in the *Guide for the Preparation of Part III of the 2006-2007 Estimates: Reports on Plans and Priorities and Departmental Performance Reports.*

- It adheres to the specific reporting requirements outlined in the Treasury Board Secretariat (TBS) guidance;
- It is based on the Tribunal's approved Strategic Outcome and Program Activity Architecture that were approved by the Treasury Board;
- It presents consistent, comprehensive, balanced and reliable information;
- It provides a basis of accountability for the results achieved with the resources and authorities entrusted to it; and
- It reports finances based on approved numbers from the Estimates and the Public Accounts of Canada.

Julia Ginley
Director
Corporate Services Branch

1.3 Tribunal's Mission

The Tribunal's mission is to provide a fair, transparent and timely trade remedies system to Canadians and to offer the Government its best advice on trade, economic, commercial and tariff matters so that the Government can formulate strategies for making the Canadian business sector better able to provide jobs and growth in today's globalized commercial environment.

In its **quasi-judicial role**, its caseload is comprised of:

- Unfair trade cases—inquiries under the *Special Import Measures Act* (*SIMA*) into whether dumped[1] or subsidized[2] imports have caused or are threatening to cause injury to a Canadian industry;
- Bid challenges—inquiries into complaints by potential suppliers concerning federal government procurement under the *North American Free Trade Agreement* (*NAFTA*), the *Agreement on International Trade* (*AIT*) and the World Trade Organization (WTO) *Agreement on Government Procurement* (*AGP*);
- Appeals of decisions of the Canada Border Services Agency (CBSA) under the *Customs Act* and *SIMA* or of the Minister of National Revenue under the *Excise Tax Act*; and
- Safeguard cases—inquiries into whether a rapid build-up of imports from around the world, or from China, is causing injury to a Canadian industry.

As an expert body, the Tribunal also plays an **advisory role** for the government by conducting general economic inquiries and references, in particular:

- Tariff and general economic inquiries referred to it by the Government—inquiries and advice on such economic, trade and tariff issues as are referred to the Tribunal by the Governor in Council or the Minister of Finance;
- Standing textile tariff reference from the Minister of Finance—investigations into requests from Canadian producers for tariff relief on imported textile inputs that they use in the production of clothing and similar goods; and
- Safeguard cases—where, in the context of a safeguard inquiry, the Tribunal finds injury to a Canadian industry and the Governor in Council requests the Tribunal to recommend appropriate measures to allow the Canadian competing industry the opportunity to take the necessary adjustment measures.

The Tribunal obtains its operating budget through the Main Estimates process. It does not receive funds through grants and contributions or through cost recovery of its operational expenditures.

1. "Dumping" refers to goods sold by foreign exporters in the Canadian market below their normal selling price.
2. Subsidizing occurs when goods imported into Canada benefit from specific foreign government financial assistance that is not generally available under normal market conditions.

More detailed information on the Tribunal and its caseload is available on its Web site.

1.4 Challenges and Risks

The Tribunal delivers essential trade adjudication services in an environment that is becoming increasingly complex and unpredictable. Specific challenges and risks faced by the Tribunal during the fiscal year 2006-2007 included:

- **Caseload management while meeting legislative deadlines**
  During fiscal year 2006-2007, the caseload for new dumping and subsidizing inquiries and procurement complaints remained at relatively stable levels. There was however a decline in the number of expiry reviews under *SIMA* and requests for textile tariff relief. Moreover, there were no new government references.

  Safeguard inquiries are exceptional events; when they occur they consume a significant portion of the Tribunal's resources. During fiscal 2005-2006, the number of safeguard inquiries was exceptionally high, as evidenced by capacity issues experienced by the Tribunal. However, there were no new safeguard inquiries during 2006-2007.

  In the current environment, where cases are becoming increasingly litigious, a growing challenge for the Tribunal is to ensure that statutory deadlines are met and that the quality of its findings, determinations and recommendations are not compromised during periods where there are unexpected peaks in caseload leading to "bunching" of cases[3]. Given the unpredictability of its caseload, the Tribunal requires a more flexible resource model to effectively respond to peak pressures.

- **Succession planning, learning and development**
  Given the complex and unpredictable caseload of the Tribunal, it requires a workforce with special skills, knowledge, flexibility and versatility. These qualities are acquired over a number of years. This puts a constant pressure on the Tribunal's Human Resources Services to recruit, retain, train and renew human resources.

  In 2006-2007, the Tribunal prepared for a number of expected departures of key employees through various actions to ensure a continuum of service and minimize the impact to the extent possible. With the return to a more manageable caseload, staff were able to take developmental assignments in certain departments. In addition, the Tribunal increased its emphasis on language training.

3. In other Tribunals, such as courts of justice, cases can be put in a queue so as to ensure their orderly, more or less, serial disposition. Although this approach occasionally may delay *individual* cases, it does effectively and evenly allocate resources. By way of contrast, all cases the Tribunal adjudicates (except for appeals) must be completed within strict statutory deadlines, without possibility of extension. Therefore, the Tribunal has no option but to "bunch" the cases up and work on them in parallel. This can place great strain on its members, staff, and other resources.

- **Health and welfare of employees**
  Because the caseload returned to more normal levels during 2006-2007, work-life balance was not an issue.

- **Confidentiality considerations and operational improvements**
  The Tribunal must be extremely vigilant in the use and distribution of confidential business information filed by parties and counsel in proceedings before it, given the possibility for financial injury that could be occasioned by the unauthorized use of such information. On the other hand, parties and their counsel increasingly expect to communicate electronically, including the ability to submit applications and supporting documentation electronically, to access case information electronically and to be able to communicate with the Tribunal and other parties electronically and securely. This is why the Tribunal has had to exercise extreme caution while moving to an electronic environment. In 2006-2007, after launching its new Secure E-Filing Service, the Tribunal invested resources in continuing the improvement of the system's functionality and in preparing next steps, namely the ability to send confidential information and provide counsel with electronic access to confidential case records.

  The Tribunal also continued to monitor the situation with respect to pricing of the Government's Secure Channel, as initial indications were that the price points would be out of reach for small organisations and could therefore jeopardize the Tribunal's plan to move towards a fully electronic record.

1.5 Link to Government of Canada Outcome Areas

The Tribunal's single strategic outcome is the fair, transparent and timely disposition of international trade cases and government-mandated inquiries in the several fields in which the Tribunal has been given jurisdiction. It contributes to the achievement of the Government of Canada's "fair and secure marketplace" priority (as part of the Government's desired economic outcomes) through:

- Access to impartial and timely processes for the investigation of complaints;
- The protection of businesses in Canada against unfair or injurious import competition;
- The promotion of integrity and fairness in government procurement;
- The fair application of tariffs and border excise taxes; and
- Reliable economic and trade analysis and advice to the Government.

1.6 Summary Information

Reason for Existence
The Tribunal contributes to a fair and secure marketplace in Canada through its strategic outcome and program activities. The Tribunal adjudicates disputes by applying rules designed to ensure that imports compete fairly in the domestic marketplace, that government contracting is fair and that tariffs and border excise taxes are fairly applied. At the request of the Government, it provides advice on trade, economic, commercial and tariff matters. As an informal "court", the Tribunal is accessible to business and provides impartial and transparent decisions. It operates with strict deadlines to provide certainty in the marketplace.

Financial Resources ($ thousands):

Planned Spending	Total Authorities	Actual Spending
10,005	10,243	9,700

Human Resources (FTE):

Planned	Actual	Difference
94	84	10

Status on Performance ($ thousands)	2006-2007

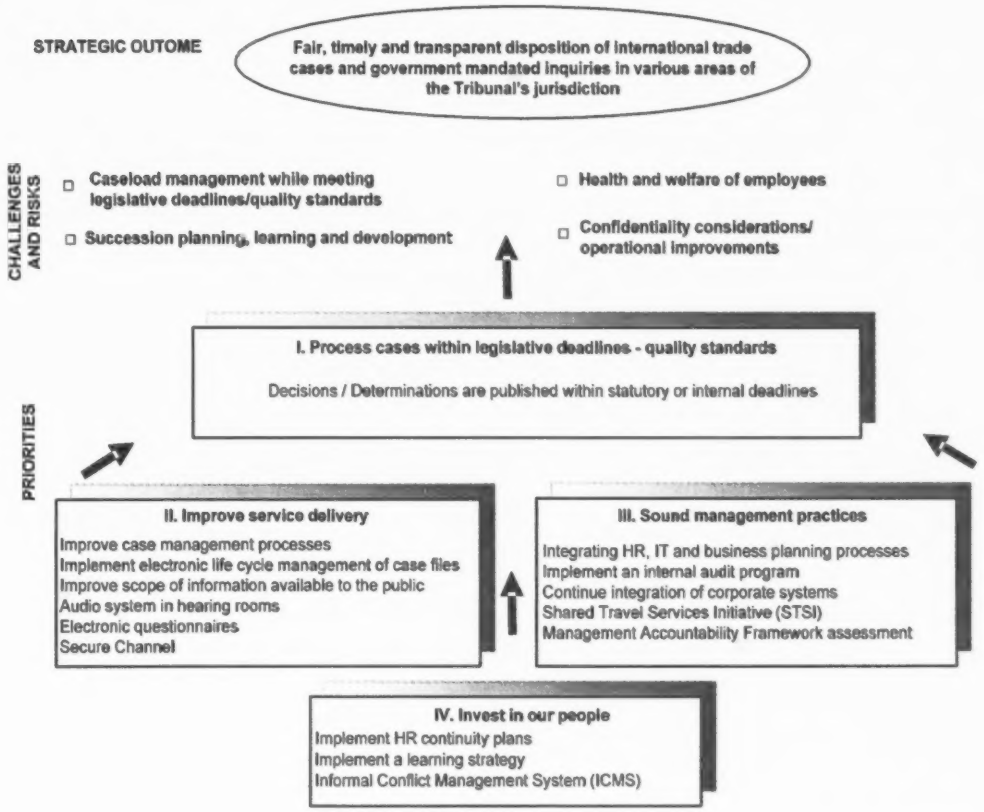
Strategic Outcome: the fair, transparent and timely disposition of international trade cases and government-mandated inquiries in various areas of the Tribunal's jurisdiction.

Priority	Expected Result	Performance Status	Planned Spending	Actual Spending
Priority I: process cases within legislative deadlines / quality standards. (ongoing)	**Expected Result:** Tribunal decisions / recommendations are fair and impartial and are published in a timely way	Successfully met	9,206	9,263
Priority II: improve service delivery (ongoing)		Successfully met	493	122
Priority III: sound management practices (ongoing)		Successfully met	201	162
Priority IV: invest in its people (ongoing)		Successfully met	105	153

1.7 Tribunal's Performance by Priority

Overall Strategy of the Tribunal

The Tribunal's overall strategy towards achieving its strategic outcome is summarized in the chart below through the relationship between its risks and challenges, priorities and related planned activities. Its overarching priority is to carefully consider and fairly decide cases within the tight deadlines imposed by legislation. Supporting priorities include improving service delivery, continuing to improve management practices and investing in its people.


STRATEGIC OUTOME
Fair, timely and transparent disposition of international trade cases and government mandated inquiries in various areas of the Tribunal's jurisdiction
CHALLENGES AND RISKS
Caseload management while meeting legislative deadlines/quality standards
Succession planning, learning and development
Health and welfare of employees
Confidentiality considerations/ operational improvements
PRIORITIES
I. Process cases within legislative deadlines - quality standards
Decisions / Determinations are published within statutory or internal deadlines
II. Improve service delivery
Improve case management processes
Implement electronic life cycle management of case files
Improve scope of information available to the public
Audio system in hearing rooms
Electronic questionnaires
Secure Channel
III. Sound management practices
Integrating HR, IT and business planning processes
Implement an internal audit program
Continue integration of corporate systems
Shared Travel Services Initiative (STSI)
Management Accountability Framework assessment
IV. Invest in our people
Implement HR continuity plans
Implement a learning strategy
Informal Conflict Management System (ICMS)

1.7.1 Priority I: Process cases within legislative deadlines/quality standards

The Tribunal's overriding priority continues to be hearing cases and making sound decisions, within prescribed deadlines, on matters that fall within its jurisdiction.

The caseload for new dumping and subsidizing inquiries remained at relatively normal levels. As in previous years, all of the Tribunal's inquiries were completed on time, and decisions with respect to anti-dumping and subsidy cases were issued within legislative deadlines.

Although the number of procurement complaints filed with the Tribunal also remained at relatively normal levels, the proportion that was accepted for inquiry increased when compared with 2005-2006. The Tribunal met all the legislative deadlines for issuing its determinations, and for all but a few cases, the statements of reasons were issued at the same time as the determination.

As for appeals under the *Customs Act* and the *Excise Tax Act*, the Tribunal adopted an informal, voluntary standard of publishing appeal decisions within 120 days of the hearing, given that there is no statutory deadline in place. In 2006-2007, a dedicated appeals team was set up, which considerably improved the average elapsed time for issuing appeal decisions. While there is still room for improvement, it was a net improvement over the previous fiscal year.

Under economic, trade and tariff references, the Tribunal completed one tariff reference during the fiscal year within the legislated deadline. As well, the Tribunal received two requests for tariff relief under the standing textile tariff reference and issued one report to the government.

More detailed information on the Tribunal's caseload can be found in the Canadian International Trade Tribunal's Annual Report, which is available on its Web site.

The Tribunal also strives to meet the expectations of a wide range of stakeholders. The Tribunal held its annual meeting with the Bench and Bar Committee, composed of lawyers nominated by the Canadian Bar Association, Department of Justice lawyers and trade consultants invited by the Tribunal. These meetings provide an opportunity for participants to present their views and concerns about the Tribunal's processes and procedures and propose changes.

Reference level

During 2006-2007, the Tribunal worked with the central agencies to explore funding sources to increase its operating budget and thereby better enable it to deliver upon its identified priorities. Although funding was not secured, the Tribunal continued to work with the central agencies to explore other funding options and solutions.

1.7.2 Priority II: Improve service delivery

The Tribunal continued to improve the delivery of services to parties and their counsel by dedicating significant efforts to information technology (IT) for better, faster and more efficient service. For a number of years, the Tribunal has undertaken initiatives to improve electronic access to information. This focus continued in 2006-2007, as evidenced by the work undertaken on a number of projects.

- **Secure Channel**
  In July 2006, the Tribunal launched a new Secure E-Filing Service. The service allows parties to file electronically both public and confidential documents with the Tribunal. All transmitted documents are encrypted to ensure their confidentiality. The service can be accessed on the Tribunal's Web site. It utilizes the Government of Canada's epass system, which allows the secure transmission of business confidential information to the Tribunal.

- **Electronic questionnaires**
  Interested parties involved in Tribunal inquiries have access to Tribunal questionnaires through its Web site. In 2006-2007, the Tribunal continued its work on the Electronic Questionnaire Project. The project involves the development of a system that will host the creation, distribution and collection of data with respect to Tribunal inquiry questionnaires. In addition to providing easier access and efficiencies to interested parties, electronic questionnaires will substantially reduce the amount of paper to be distributed. It will also allow Tribunal clients to complete the questionnaires more efficiently, as well as allow Tribunal staff to process the responses more efficiently and cost effectively.

  As part of this project, replies to Tribunal questionnaires can now be transmitted electronically using the Secure E-Filing Service. In the past, parties were required to return their completed questionnaires to the Tribunal either on diskette or compact disk.

- **Improve case management processes**
  The Tribunal has maintained a focus on the automation and integration of all the information related to its case work, while at the same time providing a secure electronic environment for the filing of case information by parties.

  In 2006-2007, the electronic case file management system was expanded to include procurement inquiries. The Tribunal also continued to develop and test secure access to the administrative record for *SIMA* cases, by counsel and Tribunal staff, through its Web site.

- **Implement electronic life cycle management of case files**
  In 2006-2007, the Tribunal worked with the CBSA to apply lessons learned from consultations with their respective stakeholders with a view to correlating the management of *SIMA* case files between the two organizations.

- **Improve scope of information available to the public**
  As part of the Tribunal's mandate to carry out its legislative responsibilities in a fair, informal and transparent manner, it makes a wealth of information available to the public such as the full text of its decisions and reasons relating to all of the cases heard since its creation, the Tribunal's mandate and procedures, and news concerning upcoming cases and other Tribunal business. This information is available on the Tribunal's Web site in both official languages. The repository of all documents produced by the Tribunal allows for research into past decisions.

The Web site allows parties, stakeholders and the public to have a clear understanding of the Tribunal's jurisdiction. It allows users to register, free of charge, for a subscriber-alert service and be informed of when new documents are posted. The Web site also allows potential suppliers to download a procurement complaint form (the initial document in the bid challenge procedure) and interested parties to download and complete electronic versions of Tribunal questionnaires.

In December 2006, the Canadian Legal Information Institute (CanLII), a non-profit organization managed by the Federation of Law Societies of Canada, added all current and past Tribunal decisions to its Web site. This service has improved the Tribunal's accessibility to the public.

In 2006-2007, the Tribunal introduced the publication of press releases with regard to all *SIMA* cases as well as for other cases involving significant decisions (the Tribunal also amended its communication policy accordingly).

- **Audio system for hearing rooms**
  In 2006-2007, the Tribunal obtained Treasury Board funding for the replacement of the outdated audio system in its hearing rooms and prepared a Statement of Work. More up-to-date technology will increase the reliability of the audio system and minimize the risk of disrupting hearings.

1.7.3 Priority III: Sound management practices

The Tribunal continued to improve its management practices through specific sub-priorities addressed during fiscal 2006-2007:

- **More integrated approach to HR and IT planning**
  The Tribunal worked towards the alignment of its HR and IT business strategies and objectives into its corporate business planning process. It completed an IT architecture review in 2006-2007 to identify issues relating to the existing architecture's ability to support the overall business vision. Based on the results of this review, in 2007-2008, the Tribunal will develop and begin to apply an IT strategy aligned with its future business vision. Work continued on integrating the Tribunal's HR requirements with its business planning. The Tribunal also conducted an analysis of its HR unit (located within the Corporate Services Branch), which will be considered in the 2007-2008 business planning exercise.

- **Internal audit plan**
  As part of the Tribunal's risk-based Internal Audit Plan 2004-2008, an internal financial management audit was carried out in 2006-2007 to assess the financial management control framework within the Tribunal and to review financial transactions to ensure compliance with regulatory requirements. The audit focussed on the operation and maintenance budget for 2005-2006 and a portion of 2006-2007.

  The Audit Report concluded that the Tribunal is effectively managing its financial resources and found the finance function to be well managed and controlled. A few recommendations were made to refine the Tribunal's overall financial

management control framework and an action plan was developed to respond to the recommendations. More detailed information on the Tribunal's Audit Report of the financial management control framework may be found at www.tbs-sct.gc.ca/rma/database/aeve_e.asp.

- **Integration of corporate systems**
  The Tribunal made enhancements to its GX financial system by adding an interface to integrate its asset information system and its human resource information system. As a result, duplication was reduced, better data integrity was achieved and information provided to Tribunal managers was more timely.

- **Shared travel services initiative**
  The Tribunal initiated the implementation and configuration of the system requirements of the shared travel services system. However, after experiencing system compatibility and privacy issues, the Tribunal chose to postpone the launch and training of its employees until the issues have been addressed.

- **Management accountability framework**
  In 2006-2007, the TBS assessed the Tribunal's management accountability framework (MAF). The TBS indicated the Tribunal's strong areas (of management performance) were values and ethics, official languages, having well-defined activities that comply with its governing acts, and a well structured Departmental Performance Report.

  An area requiring improvement was its ability to implement Management of IT Security (MITS) requirements, due to a continued lack of resources. The Tribunal has since taken steps towards strengthening its compliance with MITS.

  More detailed information on the Tribunal's MAF assessment can be found on the Treasury Board Secretariat Web site at www.tbs-sct.gc.ca/maf-crg/assessments-evaluations/2005/CITT-TCCE/CITT-TCCE_e.asp.

1.7.4 Priority IV: Invest in its people

The Tribunal is dedicated to investing in its workforce. Specific sub-priorities for 2006-2007 included:

- **Implement an HR continuity plan**
  The Tribunal developed a comprehensive human resources strategy with the main focus being succession planning. As part of the strategy, HR plans were developed for each branch, and new employees are being trained with regard to the different mandates of the Tribunal to ensure a more flexible workforce. Development opportunities are being offered to employees to replace colleagues during times of temporary absence or to fill vacancies. Positions and classifications were reviewed and revised as necessary to ensure that levels and classifications were in line with those of similar organizations.

- **Implement a learning strategy**
  In 2006-2007, the first step was taken towards developing and implementing a comprehensive learning strategy for the Tribunal. The Tribunal undertook a review of the learning policies and practices of other agencies, as well as an assessment of its organization-wide learning needs. As part the strategy, the Tribunal identified a need to ensure that there is a continual transfer of institutional knowledge and values to new staff. To this end, the Tribunal increased its focus on learning, for both new and existing employees. In this respect, an in-house orientation pamphlet is in the final stages of development with a view to increasing a new employee's knowledge of the Tribunal during the first days of employment. In addition, the Tribunal created a virtual library in which is catalogued and stored all of the Tribunal's in-house training seminars, papers and other training materials. The materials were developed by experts in the various operational areas of the Tribunal.

  The Tribunal further developed its in-house training program, building on its strong traditions of fostering technical and operational training seminars, developing guides and position papers on numerous technical topics, and sharing lessons learned by staff and members.

  Finally, funds were dedicated to the purposes of an internal learning policy which is in its final stages of development.

- **Human resources management—Informal Conflict Management System**
  In 2006-2007, the Tribunal initiated the development of its own ICMS. A committee representing all Tribunal employees was established and a draft Tribunal policy and guidelines were created. Approval and implementation of the ICMS is on schedule for fiscal year 2007-2008.

SECTION II—ANALYSIS OF PROGRAM ACTIVITIES BY STRATEGIC OUTCOME

The Tribunal's single strategic outcome is the fair, transparent and timely disposition of international trade cases and government-mandated inquiries in various areas of the Tribunal's jurisdiction.

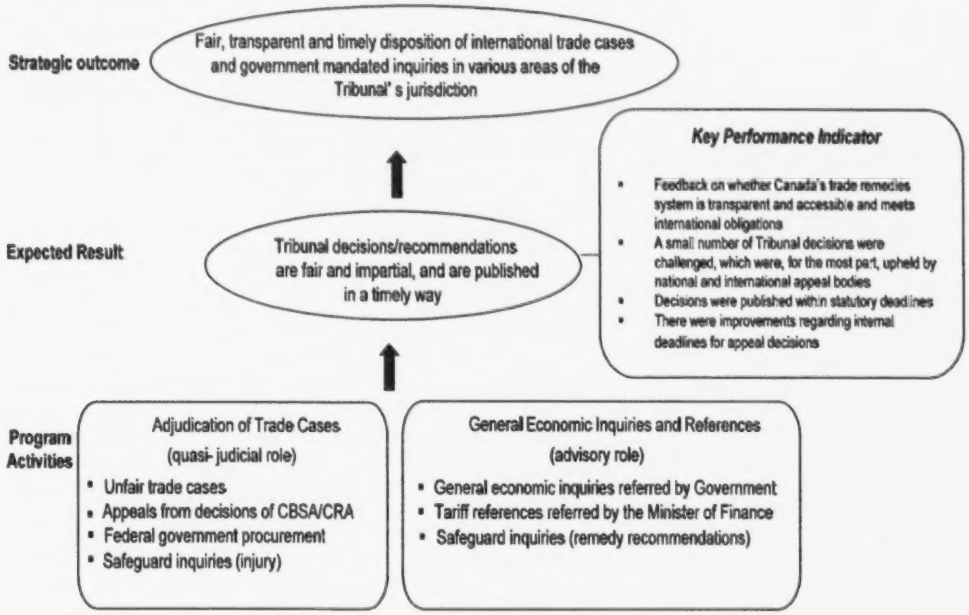
The expected result to be achieved in support of this strategic outcome is that the Tribunal's decisions and recommendations are fair and impartial (and are viewed as such by stakeholders) and are published in a timely way (in terms of quality and meeting statutory and internal deadlines).

The Tribunal has two program activities that contribute to the above result: the adjudication of trade cases (**quasi-judicial role**) and general economic inquiries and references (**advisory role**).

The Summary Logic Model below identifies the relationship between the Tribunal's two program activities, the expected result and the achievement of its strategic outcome. The Tribunal's key performance indicators associated with the expected result have been

included in the diagram. However, as part of its planning and reporting framework, the Tribunal has additional enabling indicators as shown in the Performance Indicators Summary Chart at Section 2.5.

2.1 Summary Logic Model of the Tribunal


Strategic outcome
Fair, transparent and timely disposition of international trade cases and government mandated inquiries in various areas of the Tribunal's jurisdiction
Key Performance Indicator
Feedback on whether Canada's trade remedies system is transparent and accessible and meets international obligations
A small number of Tribunal decisions were challenged, which were, for the most part, upheld by national and international appeal bodies
Decisions were published within statutory deadlines
There were improvements regarding internal deadlines for appeal decisions
Expected Result
Tribunal decisions/recommendations are fair and impartial, and are published in a timely way
Program Activities
Adjudication of Trade Cases
(quasi- judicial role)
Unfair trade cases
Appeals from decisions of CBSA/CRA
Federal government procurement
Safeguard inquiries (injury)
General Economic Inquiries and References
(advisory role)
General economic inquiries referred by Government
Tariff references referred by the Minister of Finance
Safeguard inquiries (remedy recommendations)

Described below is an analysis of each program activity's performance results against its key performance indicators and the associated resources in support of its strategic outcome.

2.2 Program Activity No. 1—Adjudication of Trade Cases

The adjudication of trade cases is a **quasi-judicial** activity that includes inquiries into unfair trade cases, safeguard inquiries into complaints by domestic producers that increased imports are causing, or threatening to cause, serious injury to domestic producers, appeals from decisions of the CBSA and the CRA, and bid challenges relating to federal government procurement.

Financial Resources($ thousands)

Planned Spending	Total Authorities	Actual Spending
9,922	9,636	9,494

Human Resources (FTE)

Planned	Actual	Difference
93	82	11

- **Expected result for program activity No. 1**
  Tribunal decisions are fair and impartial and published in a timely way.
- **Key performance indicators**
  - **Feedback on whether Canada's trade remedies system is transparent and accessible and meets international obligations**
    Overall, Canada's trade regime continues to be perceived as transparent, liberal and accessible and as meeting international obligations.[4]
  - **A small number of Tribunal decisions were challenged, which were, for the most part, upheld by national and international appeal bodies**
    Decisions made by the Tribunal with respect to its various mandates are subject to judicial review or appeal. Tribunal decisions on dumping and subsidizing matters may be reviewed by the Federal Court of Appeal or a bi-national panel under *NAFTA*. A member state whose goods are affected by a Tribunal decision may also initiate dispute settlement proceedings under the WTO *Understanding on Rules and Procedures Governing the Settlement of Disputes*, if it believes that the Tribunal's procedures violated the WTO agreements. The Tribunal's decisions on procurement may be reviewed by the Federal Court of Appeal. Tribunal decisions on appeals may be appealed to the Federal Court of Appeal or, in the case of the *Excise Tax Act*, the Federal Court (first instance).

    The Tribunal monitors whether its decisions have been subject to applications for judicial review or appeals before these bodies. The Tribunal acknowledges however, that this indicator is not ideal because the decision of a party to seek judicial review or appeal may be unrelated to the quality of a Tribunal's decision and may have more to do with private strategic business decisions. Furthermore, given the proportion of requests for judicial review or appeals that are either withdrawn, discontinued or dismissed, the number of Tribunal decisions for which judicial review or appeals are requested is not reflective of the actual number of Tribunal decisions that are impacted by a Federal Court or Federal Court of Appeal finding.

4. As per February 2007 WTO Trade Policy Review for Canada, available online at http://www.wto.org/english/tratop_e/tpr_e/tpr_e.htm.

Of the 70 decisions rendered by the Tribunal in 2006-2007, there were 10 decisions for which judicial review or appeals were requested, of which 2 were withdrawn or discontinued, 1 was dismissed and 1 was remanded. There were 6 Tribunal decisions for which judicial review or appeals were pending as of March 31, 2007. The following table shows the pattern of applications and disposal of requests for judicial review and appeals for the Tribunal over the past three fiscal years. In summary, the Tribunal's decisions have been upheld in almost every case.

Tribunal Decisions Subject to Application for Judicial Review or Appeal			
	2004-2005	**2005-2006**	**2006-2007**
Number of Tribunal decisions rendered	57	71	70
Action of parties:			
Tribunal decisions for which judicial reviews or appeals were **filed**	20	18	10
Tribunal decisions for which judicial reviews or appeals were **withdrawn** or **discontinued**	3	4	2
Court action:			
Tribunal decisions for which judicial reviews or appeals were **dismissed**	10	2	1
Tribunal decisions for which judicial reviews or appeals were **remanded** or **allowed**	3	3	1
Tribunal decisions for which judicial reviews or appeals were **pending** as of March 31	4	9	6

- **Decisions were published within statutory deadlines**

  The Tribunal's decisions regarding dumping and/or subsidizing and procurement complaints are subject to statutory deadlines. In 2006-2007, 32 decisions were issued covering these two areas of the Tribunal's mandate, including 13 *SIMA* decisions and 19 procurement complaint decisions. All determinations were issued within statutory deadlines. The statements of reasons providing the detailed judgment of *SIMA* determinations were issued on time in all cases. The translated versions of *SIMA* determinations and statements of reasons were issued simultaneously in all but 3 cases. The statements of reasons providing the detailed judgment of procurement determinations were issued on time in 16 out of 19 cases. The translated versions of procurement determinations and statements of reasons were issued, on average, 24 days after the determination in the original language. The Tribunal implemented strong case-management controls to ensure that it is able to meet these deadlines and does extensive tracking of the status of cases to ensure close adherence to prescribed deadlines.

- **There were improvements regarding internal deadlines for appeal decisions**
  There is no statutory deadline imposed for decisions on appeals of CBSA and CRA decisions. However, the Tribunal has adopted an informal, voluntary standard of issuing such decisions within 120 days of the hearing of an appeal. Management monitors these files closely to ensure that, to the greatest extent possible, this target is met.

  A review of appeals heard in 2006-2007 shows that the Tribunal met this target in 60 percent of the cases, a significant improvement over the performance of the previous fiscal year, where this target was met in less than 40 percent of the cases. Moreover, the average time between the hearing and the decision has diminished by half, from 200 days in 2005-2006 to 99 days in 2006-2007. This progress can be attributed to the new multi-disciplinary approach taken with respect to appeals work.

2.3 Program Activity No. 2—General Economic Inquiries and References

General economic inquiries and references are **advisory** activities of the Tribunal. These include tariff and general economic inquiries referred by the Government, the standing textile tariff reference from the Minister of Finance and safeguard case recommendations on appropriate measures for dealing with the build-up of imports causing injury to a Canadian industry.

Financial Resources ($ thousands)

Planned Spending	Total Authorities	Actual Spending
83	607	206

Human Resources (FTE)

Planned	Actual	Difference
1	2	(1)

- **Expected result for program activity No. 2**
  Recommendations are fair and impartial and published in a timely way.
- **Key performance indicators**
  - **Tribunal reports relating to general economic inquiries and references were published within statutory deadlines**
    Tribunal recommendations regarding tariff references and economic inquiries are subject to government-mandated deadlines. In 2006-2007, one tariff reference was completed, and the report was issued within the government-mandated deadline. There is no statutory or government-mandated deadline imposed for tariff recommendations pursuant to cases filed under the standing textile tariff reference from the Minister of Finance. However, the Tribunal

has established a voluntary standard of 120 days from the commencement of its investigation for issuing its recommendation to the Minister. During 2006-2007, the Tribunal received one request under the standing reference and issued its recommendation for tariff relief to the Government within the voluntary standard.

- **Tribunal recommendations were accepted and implemented by Government**
  An indication that the Tribunal's recommendations meet the business requirements of the Government is the extent to which the Government implements the recommendations of the inquiries and references. Recommendations are typically implemented through tariff changes to the standing textile reference. The Tribunal acknowledges however, that this indicator is not ideal because, for some matters, the Government considers Tribunal recommendations as just one input into a larger policy decision. In arriving at its recommendation, the Tribunal will have focused on the narrow question put to it by the Government and not the broader policy issues.

2.4 Performance Measurement Framework

In addition to the analysis of program activities against key performance indicators, the Tribunal has developed a further set of performance indicators as part of its planning and reporting framework. Its performance is assessed and summarized against indicators in the Performance Indicators Summary Chart below. They are based on a three-level performance scale (major gap, below target or at target). The shaded areas represent the Tribunal's assessment of its performance during 2006-2007. These indicators are under development and will continue to be refined over time, as the Tribunal gains experience in their application.

2.5 Performance Indicators Summary Chart

Key Performance Indicator	Performance Scale				
	Major Gap	Below Target	Approaching Target	At Target	Above Target
Expected Result: Tribunal decisions/recommendations are fair and impartial, and are published in a timely way					
Priority I: Process cases within legislative deadlines—quality standards					
Feedback as to whether Canadian trade remedies system is transparent, accessible and meets international obligations	Canadian trade remedies system has low level of credibility internationally.	WTO has expressed concerns about Canadian trade remedies system. This is hurting reputation, Canadian trade remedies system, and impeding trade discussions.	WTO has expressed some minor concerns about openness of Canadian trade remedies system.	Canadian trade remedies system is perceived to be fair and open and to have high levels of transparency and accessibility. Canada is perceived to have met its international obligations.	Tribunal has high level of credibility in international trade community and is sought out for its expertise by other national authorities.
Tribunal decisions are upheld by national and international appeal bodies.	Very large number of Tribunal decisions are overturned.	Very large number of decisions are subject to an application for judicial review.	Significant number of Tribunal decisions overturned, resulting in changes to its procedures.	Small number of decisions overturned.	Small number of decisions subject to an application for judicial review.

Key Performance Indicator	Performance Scale				
	Major Gap	Below Target	Approaching Target	At Target	Above Target
Decisions/ recommendations are published within statutory deadlines	Number of statutory deadlines were missed	Most statutory deadlines were met.	All statutory deadlines were met. Some quality issues.	All statutory deadlines were met. High standard of quality maintained.	Case processing time less than targeted. Cases issued in both official languages as per deadline.
Appeal decisions are issued within internal deadlines	Number of case deadlines were missed.	Time lapse exceeds target, and backlog above-normal.	Not all internal deadlines met. Time lapse stable and backlog stable or decreasing.	All internal deadlines met. Overall time lapse decreasing.	Case processing time less than target. Overall time lapse for processing cases decreasing. Backlog minimal.

Enabling Indicator	Performance Scale				
	Major Gap	Below Target	Approaching Target	At Target	Above Target
Priority II: Improve service delivery					
Stakeholder feedback regarding the quality of service	High frequency of complaints. No survey of stakeholder satisfaction.	Informal feedback is received from stakeholders. Some complaints and concerns are reported. Specific client issues are being addressed.	Positive stakeholder feedback received informally. Complaints are minimal. Some errors, but corrected before they affect external stakeholders.	High stakeholder satisfaction. Issues are resolved quickly. Responsive and efficient service. Good access to information. Few errors.	High stakeholder satisfaction as per stakeholder surveys. Many examples of positive feedback received.
Quality of case research and investigation	Major rewrites of staff research reports were required after their release. Members were critical of quality of research reports. Parties had major objections to factual content of research.	Significant rework was required after the release of staff reports. Member feedback was not always positive. Parties had concerns about inaccuracies.	Some changes were made to reports after release. Not all reviews met quality expectations. Members generally provided positive feedback. Few factual corrections identified by parties.	Changes required to reports after release to reflect updates and revisions made by parties. Members provided positive feedback to most reports. Very few factual inaccuracies identified by parties.	Members and parties provided very positive feedback on a number of cases regarding research and analysis. Quality exceeded expectations.
Quality of electronic access to Tribunal services and information	Paper filing of cases only. Public has access to Web site for general information. Internal processes are mainly paper-based.	External users have limited access to Tribunal services electronically. Electronic services are cumbersome and time consuming. Little or no integration between electronic services and Tribunal systems. Security of information cannot be guaranteed.	Some electronic services are accessible to external users. Secure electronic document transfer. External/internal users have electronic access to most current case information. Partial integration between electronic services and Tribunal systems.	Electronic services are easily accessible to external users. Security measures are in place. Good access to case information electronically. Case information is shared electronically between the parties. Electronic services are closely integrated with Tribunal systems.	Latest technology in place. Full integration between electronic services and Tribunal systems. Extensive system flexibility. Electronic services are adaptable to different user technical environments.
Security of information	Have not conducted security assessment. Responsibility for security is unclear. Limited awareness among employees and stakeholders. A number of significant security incidents.	Some significant security incidents. Information security gaps exist but are being addressed. Inconsistent awareness among employees and stakeholders of security requirements.	No major security incidents. Some minor security gaps have been identified and are being addressed. Increasing awareness among employees and stakeholders.	Some minor security incidents. Measures are in place to address security incidents. Security level is considered sufficient as per Threat and Risk Assessment (TRA) /audit. Employees and stakeholders have high degree of awareness of security requirements.	No security gaps identified by TRAs/audits. No security incidents.
Priority III: Sound management					
System reliability	Major user complaints. Major disruptions to services due to system downtime. A lot of uncertainty around system reliability.	Major technology gaps or operating deficiencies. Delays and inconvenience in accessing information. Significant disruptions to services due to system downtime.	Technologies generally meet user requirements. Timely and convenient user access. Users are generally satisfied. Technology meets most industry standards. Brief disruptions to services.	Technologies meet user needs and conform to all government/judicial standards. High user satisfaction. Systems use latest technology. Systems downtime had no operational impact.	High integration of information and technologies. State-of-the-art technology. Users are active in defining new products and services. No disruptions. No security gaps or infractions.

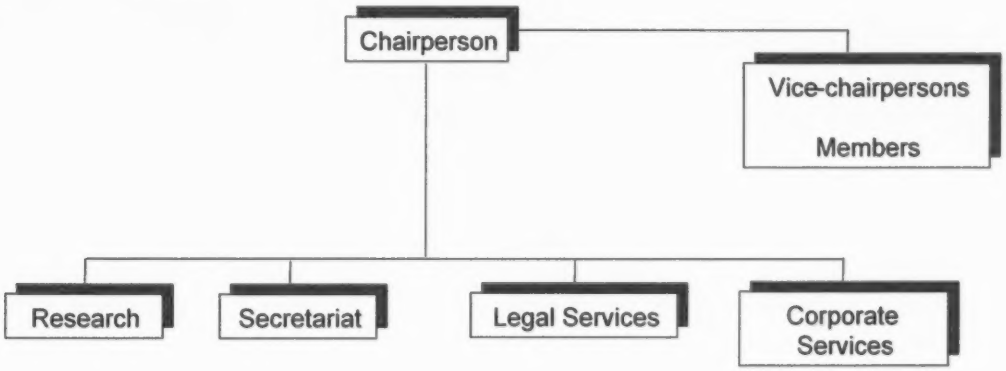
Enabling Indicator	Performance Scale				
	Major Gap	Below Target	Approaching Target	At Target	Above Target
Conformity to MAF	MAF expectations have been met for only one or two elements. Management practices need to be put in place.	MAF expectations have been met for roughly half of 10 elements. Management practices for other elements are still at the developing stage	MAF expectations have been met for most elements. Improvement projects are ongoing. Improvement projects are on time and within budget.	MAF expectations have been met for all 10 elements. Management practices are assessed on a yearly basis. Focus is on continuous improvement.	MAF expectations have been met for all 10 elements and have been exceeded for some elements.
Priority IV: Invest in its people					
Motivated and committed workforce	Employee satisfaction is well below government-wide norms. Very high turnover and/or absenteeism. Morale issues exist. Staff relations work disruptions.	Results of employee surveys are below norm. High turnover rate and/or absenteeism compared to certain departments/agencies. Morale issues exist.	Employee satisfaction levels are below norm. Turnover is high. Efforts are underway to improve employee satisfaction and retention. Some grievances and employee relations issues.	Employee satisfaction has been improving as per survey results. Staff retention is close to target levels. Staff has access to learning and development opportunities.	Consistently satisfactory results in employee surveys. Staff retention is within target levels. Positive employee feedback re work environment. Strong internal communications.
Retention and renewal of workforce	Major skill gaps exist. No overall approach or plan for renewing workforce.	Employee competencies vary. Significant gaps exist in competencies. High degree of turnover. No back-up. High number of vacant positions. Competencies have not been documented.	Some gaps in competencies. Limited back-up. Delays in staffing positions. Competencies required have been identified for most position types. Individual learning plans in place. Competency gaps are being addressed.	Most staff has required competencies. Vacancies are addressed quickly. Back fill exists for key positions. Ongoing training and learning opportunities available to staff. Effective transfer of expertise to new staff.	Strong back fill for most positions. Strong focus on learning and succession planning. Staff is recruited elsewhere for their expertise.
Corporate knowledge	Processes are not documented. No standardized approach. Historical information is limited.	Staff has access to policies, processes and guidelines on intranet, but they are not up-to-date. Historical information is difficult to access. Significant gaps exist in capabilities.	Staff has access to policies, processes and guidelines on intranet (about 60%). Historical information is available but is dispersed. Duplication of tools available.	Staff has access to policies, processes and guidelines on intranet (over 80%). Good access to tools. Historical information is easily accessible. Strong orientation program for new staff.	Staff has ready access to policies, processes, guidelines, tools, and historical information from desktop. Strong focus on learning, succession planning and staff development.

SECTION III—SUPPLEMENTARY INFORMATION

3.1 Organizational Information

The Tribunal acts as an independent, quasi-judicial, decision-making body and is accountable to Parliament through the Minister of Finance. It derives its authority from the *CITT Act*, *SIMA*, the *Customs Act* and the *Excise Tax Act*. Under *SIMA*, the Tribunal conducts inquiries into whether dumped and/or subsidized imports have injured Canadian manufacturers financially. Under the *CITT Act*, the Tribunal is empowered, following a complaint by an interested party or as directed by the Government, to carry out import safeguard inquiries into rapid increases of foreign imports (including through special procedures for imports from the People's Republic of China, specifically) and, when requested to do so, to formulate recommendations to the Government for dealing with them. Pursuant to the *Customs Act*, the *Excise Tax Act* and *SIMA*, the Tribunal is empowered to deal with appeals from decisions of the CRA and the CBSA on various excise and customs matters. With the implementation of *NAFTA*, its mandate was expanded to include reviewing bid challenges on federal government procurement matters. The Tribunal has also been designated as the bid challenge authority under the *AIT* and the WTO *AGP*.

3.2 Organizational Structure



The Tribunal is currently composed of seven full-time members, including a chairperson and two vice-chairpersons, who are appointed by the Governor in Council for a term of up to five years. The Chairperson is the Chief Executive Officer responsible for the assignment of cases to the members and for the management of the Tribunal's workload and resources. The members of the Tribunal are supported by a permanent staff with the principal officers being:

- the **Secretary**, responsible for relations with the public and parties, the court registry functions of the Tribunal, editing and translation of Tribunal decisions, reports and other documents, and relations with government departments and governments;

- the **Director General, Research**, responsible for the investigative portion of inquiries, the economic and financial analysis of firms and industries, the investigation of complaints by potential suppliers concerning any aspect of the procurement process and other fact-finding required for Tribunal inquiries;
- the **General Counsel**, responsible for the provision of legal services provided to the members and staff of the Tribunal; and
- the **Director, Corporate Services**, responsible for corporate services such as human resource management, financial management, information technology management, materiel management, security, accommodation and administration. The Director is also responsible for reports to central agencies and Parliament and represents the Tribunal in discussions and negotiations with senior officials of central agencies and departments on all matters relating to corporate administrative policies and procedures.

3.3 Financial Tables

Table 1: Comparison of Planned and Actual Spending (including FTEs)
($ thousands)

	2004-2005 Actual	2005-2006 Actual	2006-2007			
			Main Estimates	Planned Spending	Total Authorities	Actual
Adjudication of trade cases	9,185	8,927	9,922	9,902	9,636	9,494
General economic inquiries and references	883	1,654	83	83	607	206
Total	**10,068**	**10,581**	**10,005**	**9,985**	**10,243**	**9,700**[5]
Less: Non-respendable revenue	-	-	-	-	-	-
Plus: Cost of services received without charge	2,372	2,407	2,458	2,458	2,458	2,446
Net cost to Tribunal	**12,440**	**12,988**	**12,463**	**12,443**	**12,701**	**12,146**
FTEs	**84**	**85**	**94**	**94**	**94**	**84**

5. The negative variance in actual spending is due in part to delays in the resourcing of positions. As well, funds were estimated for the completion of one pending general economic inquiry and the possibility of one additional inquiry; however no additional inquiries were initiated.

Table 2: Use of Resources by Program Activities
($ thousands)

2006-2007								
	Budgetary						Plus: Non-budgetary	
Program Activity	Operating	Capital	Grants and Contributions	Total: Gross Budgetary Expenditures	Less: Respendable Revenue	Total: Net Budgetary Expenditures	Loans, Investments and Advances	Total
Adjudication of Trade Cases								
Main estimates	9,922			9,922		9,922		9,922
Planned Spending	*9,902*			*9,902*		*9,902*		*9,902*
Total authorities	9,636			9,636		9,636		9,636
Actual spending	*9,494*			*9,494*		*9,494*		*9,494*
General economic inquiries and references								
Main estimates	83			83		83		83
Planned spending	*83*			*83*		*83*		*83*
Total authorities	607			607		607		607
Actual spending	*206*			*206*		*206*		*206*

Table 3: Voted and Statutory Items
($ thousands)

		2006-2007			
Vote or Statutory Item	Truncated Vote or Statutory Wording	Main Estimates	Planned Spending	Total Authorities	Actual
25	Operating Expenditures	8,609	8,589	9,080	8,537
(S)	Contributions to Employee Benefit Plans	1,396	1,396	1,163	1,163
(S)	Spending of Proceeds from the Disposal of Surplus Crown Assets				
	Total	10,005	9,985	10,243	9,700

Table 4: Net Cost to Tribunal
($ thousands)

	2006-2007
Total actual spending	9,700
Plus: Services received without charge	
Accommodation provided by the Department of Public Works and Government Services	1,877
Contributions covering employers' share of employees' insurance premiums and expenditures paid by TBS (excluding revolving funds)	569
2006-2007 Net Cost to Tribunal	**12,146**

Table 5: Resource Requirements by Branch
($ thousands)

	2006-2007		
Organization	**Adjudication of Trade Cases**	**General Economic Inquiries and References**	**Total**
Chairman's Office			
Main estimates	1,472	12	1,484
Planned spending	1,472	12	1,484
Total authorities	*1,518*	*42*	*1,560*
Actual spending	1,483	14	1,497
Secretariat			
Main estimates	1,767	15	1,782
Planned spending	1,767	15	1,782
Total authorities	*2,091*	*64*	*2,155*
Actual spending	1,963	21	1,984
Research			
Main estimates	3,546	30	3,576
Planned spending	3,546	30	3,576
Total authorities	*3,019*	*421*	*3,440*
Actual spending	3,232	145	3,377
Legal Services			
Main estimates	864	7	871
Planned spending	864	7	871
Total authorities	*739*	*6*	*745*
Actual spending	724	2	726
Corporate Services			
Main estimates	2,273	19	2,292
Planned spending	2,253	19	2,272
Total authorities	*2,269*	*74*	*2,343*
Actual spending	2,092	24	2,116

Table 6: Financial Statements—www.citt-tcce.gc.ca/publicat/index_e.asp

SECTION IV—OTHER ITEMS OF INTEREST

4.1 Further Information

Requests for information should be addressed to:

The Secretary
Canadian International Trade Tribunal
Standard Life Centre
333 Laurier Avenue West
17th Floor
Ottawa, Ontario
K1A 0G7

Telephone: (613) 993-3595
Fax: (613) 998-1322
E-mail: secretary@citt-tcce.gc.ca

Tribunal Web site: www.citt-tcce.gc.ca

4.2 List of Legislation Governing the Work of the Tribunal

Canadian International Trade Tribunal Act	R.S.C. 1985 (4th Supp.), c. 47
Customs Act	R.S.C. 1985 (2d Supp.), c. 1
Excise Tax Act	R.S.C. 1985, c. E-15
Energy Administration Act	R.S.C. 1985, c. E-6
Special Import Measures Act	R.S.C. 1985, c. S-15
Special Import Measures Regulations	SOR/84-927
Canadian International Trade Tribunal Regulations	S.O.R./89-35
Canadian International Trade Tribunal Procurement Inquiry Regulations	S.O.R./93-602
Canadian International Trade Tribunal Rules	S.O.R./91-499

4.3 Tribunal Publications

For a complete list of Tribunal publications, please see the Tribunal Web site at www.citt-tcce.gc.ca/publicat/index_e.asp.